

GRAYS HARBOR HISTORICAL SEAPORT AUTHORITY
Grays Harbor County, Washington
January 1, 1990 Through December 31, 1992

Schedule Of Findings

1. Seaport Authority Should Comply With Purchasing/Bid Law Requirements

Since its inception, the Grays Harbor Historical Seaport Authority has been involved in construction of public works related to the tall ships tourist attraction.

The authority did not comply nor properly document its compliance with applicable purchasing/bid regulations. We noted very limited evidence to support formal bid publication. The bid files did not have adequate documentation of quote/bid tabulations, explanations of reasoning for not letting contract to lowest bidder and/or designation of sole source vendors.

The Grays Harbor Historical Seaport Authority was established by the City of Aberdeen pursuant to RCW 35.21.745 to undertake, assist with, or otherwise provide for the development, operation, and maintenance of a first class development devoted to maritime heritage.

In achieving its delegated objectives, the authority is subject to the same public works and improvements statutes in its activities and operations as its parent municipality, the City of Aberdeen. Consequently, the authority is subject to the statutory directives related to bidding of public works as found in RCW 35.22.620. Additionally, the seaport authority adopted an internal purchasing policy even more restrictive than the state statutes.

The internal policy adopted by the board on July 17, 1987, reads in part:

In all instances, purchases made against these authorities will be fully documented to show all quotations and bids solicited . . . These records will be maintained where they are immediately accessible for review by the auditor.

Authority officials state that every effort was made to achieve the lowest possible cost in each acquisition endeavor. However, without documentation to support that board policies were followed, we were unable to determine nor can the public be assured, that the projects were constructed in the most cost efficient manner. We previously reported this condition in our 1987-1989 audit report (No. 52871) of the authority.

We recommend that the authority comply with board purchasing policy and statutory bidding regulations. We further recommend that adequate documentation of this process be retained.